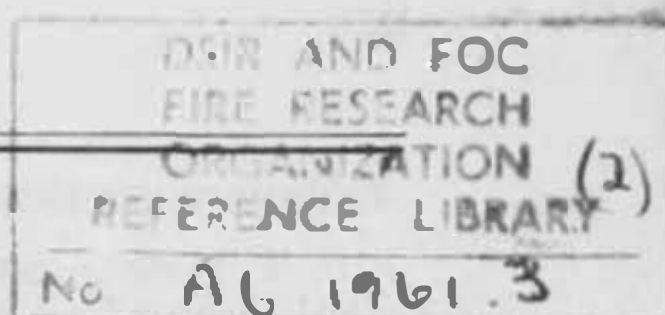


Housing Bill



EXPLANATORY AND FINANCIAL MEMORANDUM

1. This Bill gives effect among other things to the proposals in the White Paper "Housing in England and Wales" (Cmd. 1290). It does not extend to Scotland or Northern Ireland.

PART I—FINANCIAL ASSISTANCE

Housing Subsidies

2. Clause 1 provides for payment of subsidy to local authorities, development corporations and housing associations and defines the dwellings which may qualify for subsidy under the provisions of the Bill. Subsidy will be payable to the Commission for the New Towns (to be set up under the New Towns Act, 1959) at the same rate as to development corporations. Clause 2 enables the Minister, by order, to abolish or reduce subsidies payable under the Bill.

3. Clause 3 provides for subsidies at fixed rates in respect of dwellings for certain special purposes. Dwellings built by local authorities or development corporations for the relief of overspill qualify for a subsidy of £28 a year for 60 years. A subsidy of £24 a year is payable in respect of dwellings provided by local authorities to meet the urgent needs of industry and in respect of dwellings provided by housing associations.

4. Clause 4 provides for two alternative rates of subsidy, one or other of which will be payable in respect of all other local authority dwellings approved for subsidy purposes. The rates are £24 and £8 a dwelling for 60 years. The appropriate rate will depend on an assessment of the adequacy of the particular authority's resources in relation to their expenditure; the Clause lays down the basis of the assessment. Authorities whose resources are particularly inadequate may receive a higher rate of basic subsidy, up to a maximum of £40.

5. Clause 5 provides for the basic subsidies specified in Clauses 3 and 4 to be increased in the case of flats in blocks of four or more storeys and for the continuation of the present expensive site subsidy and additional subsidy on agricultural dwellings. Clause 6 preserves the additional subsidies at present available towards the additional cost of precautions against mining subsidence and of building in special materials.

Advances to Housing Associations

6. Clause 7 empowers the Minister to make advances, up to a maximum of £25 million, to housing associations who have entered into an agreement with him, to meet the whole or part of the cost of providing housing accommodation for letting.

Miscellaneous

7. Clause 8 empowers the Minister to withhold subsidy, in case of default, from a housing association which has made special arrangements with him for the payment of subsidy direct instead of through a local authority.

8. Clause 9 amends the provisions of the 1958 Act relating to grants for hostels.

9. Clause 10 increases Exchequer contribution which may be paid in respect of dwellings provided under town development schemes and by the Commission for the New Towns and also increases the proportion which may be recovered from exporting local authorities.

10. Clause 11 provides for interpretation and introduces the amendments set out in the Second Schedule.

PART II—AMENDMENTS OF HOUSING ACT, 1957*Houses in multiple occupation*

11. Clause 12 enables a local authority to take steps to secure a proper standard of management in houses in multiple occupation by making orders applying the code of management to be prescribed in regulations under Clause 13. Provision is made for notifying owners and lessees, for a right of appeal against the making of an order and for the revocation of orders. Clause 13 sets out the scope of the regulations, defines the persons managing the house and provides for penalties for breach of a management order. Clause 14 enables an authority to serve a notice on the person managing any house subject to a management order, requiring the carrying out of works necessary to remedy the state of neglect, with a right of appeal to a magistrates' court.

12. Clause 15 gives a local authority power, where a house in multiple occupation is in their opinion so far defective in certain essential facilities as to be unsuitable for occupation by the number of persons living in it, to serve a notice on a person having control of the house requiring the carrying out of the works needed to make the house suitable for such occupation. The notice may be withdrawn if the numbers are reduced to a point where the existing facilities are adequate. Clause 16 provides a right of appeal to the county court, which among other things may decide, in the event of dispute, who is to pay for the works, and Clause 17 gives the local authority power,

in case of default, to carry out the works themselves and to recover the cost reasonably incurred.

13. Clause 18 enables a local authority to give a direction limiting the number of persons who may occupy a house in multiple occupation, in order to prevent the deterioration of living conditions, and lays down penalties for failure to comply with such a direction. Clause 19 increases the penalties for overcrowding of houses in contravention of notices under section 90 of the 1957 Act. Clause 20 supplements the main provisions of Clauses 12 to 18 and repeals section 36 of the 1957 Act, which those Clauses are designed to replace.

Reconditioning of condemned houses.

14. Clause 21 enables a local authority to make an order reprieving a house whose demolition is required under a clearance order and submit it to the Minister for confirmation, if they are satisfied that the house has been, or will be, made fit for human habitation. Clause 22 extends the category of persons who may submit proposals to a local authority for reconstruction or improvement of a house subject to a demolition order.

Miscellaneous

15. Clause 23 enables a local authority, at their discretion, to substitute a closing order for a demolition order so as to permit a condemned house to be retained for non-residential use. Clause 24 makes some minor amendments to the 1957 Act and Clause 25 provides for the interpretation and construction of Part II of the Bill.

PART III—MISCELLANEOUS AND GENERAL

Private improvements in housing

16. Clause 26 provides that the return to which the owner of a house let on a controlled tenancy is entitled in respect of improvements made to the property shall be increased from 8 per cent. of his expenditure to 12½ per cent. This provision also affects the maximum rent at which an uncontrolled house improved with the benefit of improvement grant may normally be let.

17. Clause 27 amends the provisions of the House Purchase and Housing Act, 1959, relating to payment of standard grants towards the cost of providing a dwelling with a hot water supply and a water closet.

18. Clause 28 relaxes certain conditions attaching to the payment of improvement grants in the case of land held on charitable trusts and on trusts for sale.

Repairing obligations

19. Clauses 29 and 30 deal with the repairing obligations the parties to short leases of dwelling-houses. Under these clauses the landlord is made liable for the repair of the structure

and exterior of the premises, and of certain main installations; and any express repairing covenant by the tenant is rendered inoperative so far as it relates to the matters for which the landlord is so liable. The county court has jurisdiction to authorise an agreed modification of these liabilities in any proper case.

Town development

20. Clause 31 amends the Town Development Act, 1952, to make it possible for a county borough, in exceptional circumstances, to act as a receiving authority, and to enable county councils of exporting areas to assist receiving authorities both financially and by lending staff.

FINANCIAL EFFECTS OF THE BILL

21. The financial effect of Clauses 1 to 6 of the Bill will depend upon the number of dwellings to be built by public authorities and in what proportions these will qualify for the different rates of subsidy laid down. It is estimated that the cost of new subsidies over the next few years under the proposals contained in the Bill will be broadly the same as if the present provisions remained in force, i.e. an average increase of the order of £3 million a year.

22. Advances to housing associations under Clause 7 are limited to £25 million. It is expected that these will be spread over several years. Provision is made for the Treasury to make to the Minister out of the Consolidated Fund advances for this purpose. Repayment of such advances and interest thereon is to be made by the Minister into the Exchequer on terms directed by the Treasury.

23. The effect of Clause 10 will be to increase the rate of growth of annual Exchequer contributions in respect of houses provided in new towns and under town development schemes by one-half. At the present rate of building, this would amount to an additional £32,000 a year. Part of this increase will be recoverable from local authorities.

24. The cost of grants under Clause 24 towards the expenses of a central association for promoting housing associations is not expected to amount to more than a few thousand pounds in any year.

25. While it is not possible to make a precise estimate, Clauses 27 and 28 are expected to lead to an increase in the number of improvement grants approved and consequently in the amount payable in Exchequer contributions.

26. The financial effect of Clause 31, which will depend on the number of county boroughs, if any, exceptionally designated to act as receiving authorities, will be small.

27. The provisions of Clauses 27, 28 and 31 are likely to result in some small increase in the expenditure borne on rates and may therefore lead to an increase in rate-deficiency grant, but the amount of this cannot be estimated.

Housing Bill

ARRANGEMENT OF CLAUSES

PART I

FINANCIAL ASSISTANCE FOR HOUSING ACCOMMODATION PROVIDED BY LOCAL AUTHORITIES AND OTHER PUBLIC BODIES

Exchequer subsidies for new housing accommodation

Clause

1. Dwellings qualifying for subsidies.
2. Power to abolish or reduce subsidies.
3. Dwellings provided by local authorities for town development and other special purposes, and dwellings provided by other bodies.
4. Other dwellings provided by local authorities.
5. Subsidies for flats, expensive sites and agricultural dwellings.
6. Increases in respect of rights of support and houses constructed to preserve the character of surroundings.

Advances to housing associations providing housing accommodation for letting

7. Advances to housing associations providing housing accommodation for letting.

Miscellaneous

8. Reduction or withholding of subsidies in respect of housing provided in pursuance of special arrangements with Minister.
9. Grants for hostels.
10. Payments for town development.
11. Interpretation of Part I and consequential and other amendments.

PART II

AMENDMENTS OF HOUSING ACT, 1957

Houses in multiple occupation

12. Power to apply management code to houses in multiple occupation.
13. Regulations prescribing management code.

Clause

14. Power to require doing of work to make good neglect of proper standards of management.
15. Power to require execution of works of other descriptions.
16. Right of appeal against notice requiring execution of works.
17. Carrying out of works by local authority.
18. Directions to prevent recurrence or worsening of overcrowding in houses in multiple occupation.
19. Offences under s. 90 of principal Act.
20. Supplemental provisions.

Reconditioning of condemned houses

21. Exclusion of houses from clearance order.
22. Power to permit reconstruction of a house condemned under a demolition order.

Miscellaneous

23. Power to substitute closing order for demolition order to enable a house to be used otherwise than for human habitation.
24. Minor amendments of principal Act.
25. Interpretation and construction of Part II.

PART III

MISCELLANEOUS AND GENERAL

Private improvements in housing

26. Permitted rent increase for improvements.
27. Standard grant for provision of hot water supply and water closets.
28. Provisions relating to improvement grants and standard grants.

Repairing obligations

29. Repairing obligations in short leases of dwelling-houses.
30. Application of s. 29 and restriction on contracting out.

Town development

31. Town development.

General

32. Financial provisions.
33. Short title, interpretation, commencement, extent and repeals.

SCHEDULES:

First Schedule—Exchequer subsidies for local authorities in special cases.

Second Schedule—Amendments of enactments relating to financial assistance for housing accommodation.

Third Schedule—Orders excluding buildings from a clearance area.

Fourth Schedule—Repeals.

A
B I L L
T O

Make further arrangements for the giving of financial assistance for the provision of housing accommodation, to confer further powers on local authorities as regards houses let in lodgings or occupied by more than one family, and houses or other buildings affected by clearance orders and demolition orders, to amend section five of the Rent Act, 1957, by allowing a greater increase in the permitted rent for improvements, to alter the circumstances in which improvement grants and standard grants may be made under Part II of the Housing (Financial Provisions) Act, 1958, and the Housing and House Purchase Act, 1959, to amend the law with respect to repairing obligations in short tenancies of dwelling-houses, and to amend the Town Development Act, 1952, as regards development carried out wholly or partly in a county borough and as regards the assistance which may be given by a county council for town development; and for purposes connected with any of those matters. A.D. 1961

BE it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

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PART I

FINANCIAL ASSISTANCE FOR HOUSING ACCOMMODATION
PROVIDED BY LOCAL AUTHORITIES AND OTHER PUBLIC
BODIES

Exchequer subsidies for new housing accommodation

10 **1.**—(1) *Exchequer subsidies shall be payable out of money Dwelling provided by Parliament in accordance with the provisions of this Part of this Act in respect of, and in certain circumstances in respect of the site of, any new dwelling which is—* qualifying for subsidies.

15 (a) *provided by a local authority in the exercise of their powers to provide housing accommodation, or*

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- (b) *provided by a development corporation otherwise than in pursuance of authorised arrangements made with a local authority, or*
- (c) *provided by a development corporation in pursuance of authorised arrangements made with a local authority, or* 5
- (d) *provided by a housing association in pursuance of authorised arrangements made with a local authority or special arrangements made with the Minister,*

and which is approved for the purposes of those provisions by the Minister. 10

Such a dwelling which is so approved is hereafter in this Part of this Act referred to as an "approved dwelling".

(2) *Any exchequer subsidy payable under this Part of this Act shall be paid to the authority or other person by whom the dwelling was provided, except that an exchequer subsidy payable in respect of, or of the site of, a dwelling provided in pursuance of authorised arrangements made with a local authority shall be paid to the local authority, who shall pay to the development corporation or housing association, as the case may be, by way of annual grant an amount not less than the exchequer subsidy.* 15 20

(3) *An exchequer subsidy shall not be payable under this Part of this Act in respect of a dwelling or the site of a dwelling except where—* 25

- (a) *in the case where the dwelling falls under paragraph (a) or (b) of subsection (1) of this section, the tender or estimate for its erection was accepted by a formal resolution of the authority or corporation passed on or after the sixteenth day of February, nineteen hundred and sixty-one ;* 30
- (b) *in a case where the dwelling falls under paragraph (c) or paragraph (d) of subsection (1) of this section, the arrangements were made on or after the said sixteenth day of February :* 35

Provided that—

- (i) *a formal resolution passed as aforesaid accepting a tender or estimate which was submitted to the Minister for approval before the said sixteenth day of February shall be deemed for the purposes of this subsection to have been passed before that day ; and* 40
- (ii) *where, on approving any authorised arrangements made with a local authority on or after the said sixteenth day of February the Minister is satisfied that the substantial effect of those arrangements had been agreed between the parties before that day, those arrangements shall be deemed for the purposes of this subsection to have been made before that day.* 45

(4) *In section four of the New Towns Act, 1959 (under which
exchequer subsidies under section one of the Housing (Finan-
cial Provisions) Act, 1958, are payable in respect of dwellings
provided by the Commission for the New Towns), for refer-
ences to such exchequer subsidies there shall be substituted
references to exchequer subsidies under this section, and
exchequer subsidies payable by virtue of this subsection shall,
subject to the provisions of the said section four, be payable
in accordance with the provisions of this Act and the said Act
of 1958 applying in relation to approved dwellings provided by
a development corporation otherwise than in pursuance of
authorised arrangements.*

(5) No subsidy shall be payable under section one of the
Housing (Financial Provisions) Act, 1958, in respect of any
dwelling qualified to be considered for approval by the Minister
under subsection (1) of this section.

2.—(1) The Minister may from time to time by order direct
that, in respect of, or of the site of, dwellings of any descrip-
tion specified in the order, or such dwellings in any area so
specified, exchequer subsidies under this Act—

Power to
abolish
or reduce
subsidies.

(a) shall cease to be payable, or

(b) shall be reduced to such amount as may be specified
in the order, or

(c) shall be payable for such reduced number of years as
may be so specified.

(2) Subject to subsection (4) of this section, an order under
this section,—

(a) so far as it relates to any dwelling, or the site of any
dwelling, provided otherwise than in pursuance of
authorised arrangements made with a local authority
or special arrangements made with the Minister, shall
be expressed to apply to a dwelling, or the site of a
dwelling, the tender or estimate for the erection of
which is accepted by a formal resolution passed on or
after a date specified in the order, and

(b) so far as it relates to any dwelling, or the site of any
dwelling, provided in pursuance of any such arrange-
ments, shall be expressed to apply to a dwelling, or the
site of a dwelling, provided in pursuance of arrange-
ments made on or after that date.

(3) An order under this section shall be made by statutory
instrument and—

(a) shall not be made unless a draft thereof has been
approved by a resolution of the Commons House of
Parliament; and

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(b) shall not specify a date under the last foregoing subsection earlier than the laying of the draft ;

and before laying such a draft the Minister shall consult with such associations of local authorities as appear to him to be concerned and with any local authority with whom consultation appears to him to be desirable. 5

(4) Subsection (2) of this section and paragraph (b) of the last foregoing subsection shall not apply to an order made more than ten years after the passing of this Act and accordingly such an order may affect exchequer subsidies payable under this Part 10 of this Act in respect of dwellings, or the site of dwellings, completed before as well as after the making of the order.

Dwellings provided by local authorities for town development and other special purposes, and dwellings provided by other bodies.

3.—(1) *In respect of each approved dwelling—*

(a) *provided by a local authority in the course of a scheme of town development as defined by the Town Development Act, 1952, carried out with the approval of the Minister wholly or partly in the area of that authority, or* 15

(b) *provided by the local authority of a congested or over-populated area in some other area as part of a scheme of comprehensive development the general character of which is, in the opinion of the Minister, similar to development for the purposes of a new town under the New Towns Act, 1946, or* 20

(c) *provided by a development corporation otherwise than in pursuance of authorised arrangements made with a local authority,* 25

the Minister shall pay for each of the sixty years following the completion of the dwelling an annual exchequer subsidy of twenty-eight pounds. 30

(2) *In respect of each approved dwelling—*

(a) *provided by a local authority for the accommodation of persons coming from outside the area of that authority in order to meet the urgent needs of industry, where the dwelling has been so provided in accordance with arrangements approved by the Minister as being desirable by reason of special circumstances and so long as any conditions laid down by the Minister on the giving of his approval are complied with, or* 35

(b) *provided by a development corporation in pursuance of authorised arrangements made with a local authority, or* 40

(c) *provided by a housing association in pursuance of authorised arrangements made with a local authority or special arrangements made with the Minister,* 45

the Minister shall pay for each of the sixty years following the completion of the dwelling an annual exchequer subsidy of twenty-four pounds.

4.—(1) *In respect of each approved dwelling provided by a local authority, not being a dwelling to which the last foregoing section applies, the Minister shall pay for each of the sixty years following the completion of the dwelling an annual exchequer subsidy of an amount determined as follows.* Other dwellings provided by local authorities.

(2) *The amount shall depend on whether for the relevant financial year—*

(a) *the amounts carried to the credit of the local authority's housing Revenue Account,*

would be less than—

(b) *the amounts debited to that Account,*

15 *assuming that there is substituted for the income in that year from rents in respect of houses within the Account and any amount carried to the credit of the Account under sub-paragraph (5) or sub-paragraph (6) of paragraph 1 of the Fifth Schedule to the Housing (Financial Provisions) Act, 1958, a sum equal to*
20 *twice the gross value of the local authority's houses.*

In making the comparison required by this subsection any surplus brought forward from the previous financial year shall be excluded from the amounts carried to the credit of the Account, and any surplus shown in the Account at the end of
25 *the financial year shall be excluded from the amounts debited to the Account.*

(3) *If it appears to the Minister that the amount carried to the credit of the Housing Repairs Account from the Housing Revenue Account in accordance with subsection (1) of section*
30 *fifty-one of the said Act of 1958 (which requires a local authority to make a contribution to the Housing Repairs Account of a minimum amount equal to eight pounds for every dwelling within the Housing Revenue Account) is, to the extent that it exceeds that minimum amount, excessive having regard*
35 *to the previous practice of the local authority and to any other circumstances, he may, after consulting the local authority, direct that for the purposes of subsection (2) of this section some part of the contribution, so far as it exceeds that minimum amount, shall be left out of account.*

40 (4) *The amount, if any, by which the sum under paragraph (a) of subsection (2) of this section is, on the assumption there made, less than the sum under paragraph (b) of that subsection is hereafter in this section referred to as the amount of the deficit as ascertained under this section and, subject to the next*

PART I following subsection, the amount of the annual exchequer subsidy in respect of the dwelling—

- (a) if for the relevant financial year there is a deficit as ascertained under this section, shall be twenty-four pounds together with the sum, if any, to be added under Part I of the First Schedule to this Act, and 5
- (b) if there is no such deficit, shall be eight pounds.

(5) If for the relevant financial year there is no such deficit, but the sum under paragraph (a) of subsection (2) of this section does not, on the assumption there made, exceed the sum under paragraph (b) of that subsection by more than the difference between— 10

- (a) the annual amount of the exchequer subsidies which, if there had been such a deficit for the relevant financial year, would have been payable to the local authority under this section in respect of the dwelling and all other dwellings to which this section applies completed by the local authority in the same financial year (that is to say twenty-four pounds for each dwelling in question), and 15
- (b) the annual amount which would be so payable but for this subsection (that is to say eight pounds for each dwelling in question), 20

the amount of the annual exchequer subsidy in respect of the dwellings shall be twenty-four pounds, and not eight pounds. 25

(6) Part II of the First Schedule to this Act (which defines the relevant financial year and gross value) shall apply for the purposes of this section.

(7) For the purposes of subsection (2) of this section any rent payable partly for houses within the Account and partly for premises not used for the purposes of a private dwelling shall be apportioned, and the part attributable to the houses shall be taken into account under that subsection. 30

(8) In this section and the First Schedule to this Act “ house ” includes a dwelling; and expressions defined by this section shall have the same meanings when used in the said Schedule. 35

Subsidies for flats, expensive sites and agricultural dwellings.

5.—(1) If an approved dwelling is a flat in a block of flats of four or more storeys, the amount of the annual exchequer subsidy payable under this Part of this Act shall be the amount payable under the foregoing sections of this Act plus— 40

- (a) in the case of a flat in a block of flats of four storeys, eight pounds,
- (b) in the case of a flat in a block of flats of five storeys, fourteen pounds,
- (c) in the case of a flat in a block of flats of six or more storeys, twenty-six pounds, increased by one pound fifteen shillings for each storey by which the block exceeds six storeys. 45

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(2) Section seven of the Housing (Financial Provisions) Act, 1958 (which authorises the payment of subsidies for expensive sites), shall apply in relation to an approved dwelling as defined in this Part of this Act as it applies in relation to an approved dwelling as defined in Part I of that Act.

(3) If the Minister thinks fit so to determine in the case of any dwelling provided by the council of a county district, or in pursuance of authorised arrangements to which the council of a county district are parties, by way of housing accommodation required for the agricultural population of that district, the amount of the annual exchequer subsidy payable under this Part of this Act shall be the amount payable under the foregoing provisions of this Act plus nine pounds.

This subsection shall not apply to a flat in a block of flats of four or more storeys.

6. Subsections (1) and (2) of section eight of the Housing (Financial Provisions) Act, 1958 (under which subsidies under that Act may be increased to meet expenses to secure protection against the consequences of a subsidence of the site or expenses attributable to special materials and methods of construction), shall apply in relation to annual exchequer subsidies payable under this Part of this Act as they apply to annual exchequer subsidies payable under the said Act of 1958, but as if—

(a) references in that section to authorised arrangements made by a housing association included references to special arrangements made by a housing association with the Minister, and

(b) references in that section to section six of the said Act were omitted.

Advances to housing associations providing housing accommodation for letting

7.—(1) If a housing association registered under the Industrial and Provident Societies Act, 1893, submit to the Minister a scheme under which they will provide housing accommodation and satisfy the Minister that under the scheme the housing accommodation so provided will be kept available for letting, except at such times and in such cases as the Minister may approve, the Minister may in accordance with this section make advances to the housing association.

(2) The Minister may, in accordance with an agreement made by him with the housing association, make, on such terms and conditions as he may approve, advances to the housing association to meet the whole or any part of the expenditure incurred

PART I

by the housing association in connection with the scheme, and the advances shall carry such rate of interest and shall be repayable over such a period, not exceeding sixty years, and on such terms as may be approved by the Treasury and provided in the agreement.

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(3) *Advances under this section shall not together exceed the sum of twenty-five million pounds.*

(4) *It shall be the duty of a housing association which have entered into an agreement under this section to comply with any directions which the Minister may give to them with respect to the administration of the scheme and the disposal of assets provided under the scheme.*

10

(5) *The Treasury may issue to the Minister, out of the Consolidated Fund, such sums as are necessary to enable him to make advances under this section, and for the purpose of providing sums to be so issued or of providing for the replacement of sums so issued, the Treasury may at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.*

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(6) *Any sums received by the Minister under subsection (2) of this section shall be paid into the Exchequer and shall be issued out of the Consolidated Fund at such times as the Treasury may direct, and shall be applied by the Treasury as follows, that is to say—*

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(a) *so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit, and*

30

(b) *so much thereof as represents interest shall be applied towards meeting such part of the annual charges for the national debt as represents interest.*

(7) *The Minister shall, in respect of each financial year, prepare in such form and manner as the Treasury may direct an account of sums issued to him for advances under this section, and of sums received by him under this section, and of the disposal by him of those sums respectively, and send it to the Comptroller and Auditor General not later than the end of November in the following year; and the Comptroller and Auditor General shall examine, certify and report on the account and lay copies of it, together with his report, before each House of Parliament.*

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(8) *In this section references to the provision of housing accommodation are references to the provision of housing accommodation whether by building new houses, or by the conversion or improvement of existing houses or other buildings.*

45

Miscellaneous

PART I

8.—(1) If the Minister is satisfied that a housing association have made default in giving effect to the terms of special arrangements made with the Minister for the provision of dwellings he may reduce the amount of any exchequer subsidy in respect of the dwellings or suspend or discontinue the payment thereof as he thinks just.

Reduction or withholding of subsidies in respect of housing provided in pursuance of special arrangements with Minister.

(2) Where any dwelling provided by a housing association under special arrangements made with the Minister becomes vested in a local authority—

(a) no further exchequer subsidy shall, after the time of the vesting, become payable by the Minister in respect of the dwelling, and

(b) *The Minister may, if he thinks fit, pay out of money provided by Parliament to the local authority a sum equivalent to any exchequer subsidy which would, after the said time, have become payable to the housing association in respect of the dwelling if all conditions precedent to the payment of the subsidy had been at all material times observed,*

and any payment which the Minister is authorised to make under paragraph (b) of this subsection shall be included in the expression “exchequer payment” as defined in subsection (2) of section fifty-eight of the Housing (Financial Provisions) Act, 1958.

(3) No exchequer subsidy shall be paid to a housing association in respect of a dwelling provided arrangements made with the Minister if, before the payment is made, the Minister is satisfied that, during the whole or the greater part of the period to which the payment is referable, the dwelling in respect of which the payment would be made has not been available as a dwelling fit for habitation (according to the standards of fitness for habitation imposed by section four of the Housing Act, 1957):

Provided that this subsection shall not apply if the Minister is satisfied that the dwelling could not with reasonable diligence have been made available, during the whole or the greater part of the period to which the exchequer subsidy is referable, as a dwelling fit for habitation.

Any question under this subsection as to the period to which an exchequer subsidy is referable shall be determined by the Minister.

9.—(1) *Section fifteen of the Housing (Financial Provisions) Act, 1958 (under which grants may be made by the Minister to a local authority, development corporation or housing association providing a hostel), shall apply to any building provided or converted after the commencement of this Act for use as part of a hostel as it applies to a building provided or converted for use as a hostel, and at the end of subsection (4)*

Grants for hostels.

PART 1

of the said section fifteen (which defines the expression " hostel ") for the words " and board " there shall be substituted the words " and either board or facilities for the preparation of food adequate to the needs of those persons, or both ".

(2) Subsection (1) of the said section fifteen shall apply to a building provided or converted by a housing association for use as a hostel under arrangements which the Minister may have made with them with a view to the approval of the hostel for the purposes of that subsection, as it applies to a building so provided or converted by a local authority :

Provided that if the Minister is satisfied that the housing association have made default in giving effect to the terms of the arrangements, he may reduce the amount of the contributions payable to the housing association under the said subsection (1), or suspend or discontinue the payment thereof, as he thinks just.

(3) Where a building which has been provided or converted by a housing association for use as a hostel becomes vested in a local authority, and at the time of the vesting the building is one in respect of which a contribution is payable under the said subsection (1)—

(a) no further contributions shall, after the time of the vesting, become payable under that subsection, but

(b) the Minister may, if he thinks fit, pay out of money provided by Parliament to the local authority sums not exceeding any sums which would after that time have become payable by him under that subsection in respect of the building if all conditions precedent to the payment of the sums had been fulfilled.

(4) In section twenty-two and subsection (3) of section fifty of the Housing (Financial Provisions) Act, 1958, and in this section, the expression " hostel " has the same meaning as in section fifteen of that Act, and references to a hostel include references to part of a hostel.

Payments
for town
development.

10.—(1) As respects any approved dwelling as defined by this Part of this Act, paragraph (a) of subsection (2) of section two of the Town Development Act, 1952, as amended by paragraph 14 of the First Schedule to the Housing Subsidies Act, 1956 (under which the Minister may contribute to the expenses of providing houses in the course of town development, subject to a limit of eight pounds per house), shall apply with the substitution for the reference to eight pounds of a reference to twelve pounds.

(2) As respects any approved dwelling as defined by this Part of this Act, subsection (4) of section four of the New Towns Act, 1959 (under which the Minister may make additional contributions to the Commission for the New Towns, subject to a limit of eight pounds per house), shall apply with the substitution for the reference to eight pounds of a reference to twelve pounds.

PART I

(3) As respects any approved dwelling as defined by this Part of this Act, subsection (2) of section nine of the Housing Subsidies Act, 1956 (under which the Minister may recover part of certain payments or contributions in the ten years following the completion of a dwelling, subject to a limit of four pounds in any year), shall apply with the substitution for the reference to ten years of a reference to fifteen years, and with the substitution for the reference to four pounds of a reference to six pounds.

(4) Any contribution made to a local authority under paragraph (a) of subsection (2) of section two of the Town Development Act, 1952, shall be included in the definition of "exchequer payment" in subsection (2) of section fifty-eight of the Housing (Financial Provisions) Act, 1958.

(5) References in this section to an approved dwelling as defined by this Part of this Act include references to a dwelling in respect of which Exchequer subsidies are payable under section one of this Act by virtue of subsection (4) of that section.

11.—(1) In this Part of this Act—

20 "authorised arrangements" has the meaning assigned to that expression by subsection (2) of section twenty-nine of the Housing (Financial Provisions) Act, 1958;

25 "special arrangements made with the Minister" means, in relation to exchequer subsidies under this Part of this Act payable to a housing association, arrangements which the Minister may have made with the housing association for the provision of dwellings with a view to the approval of the dwellings by the Minister under section one of this Act,

30 and subsection (1) of section twenty-nine and subsection (1) of section fifty-eight of the said Act of 1958 shall apply for the interpretation of this Part of this Act.

(2) The enactments mentioned in the Second Schedule to this Act (which relate to the giving of financial assistance for the provision of housing accommodation) shall have effect subject to the amendments there specified, being, in the case of those in Part I of the Schedule, amendments which apply those enactments in relation to exchequer subsidies under this Part of this Act and, in the case of those in Part II, amendments relating to other matters.

Interpretation
of Part I
and conse-
quential
and other
amendments.

PART II

AMENDMENTS OF HOUSING ACT, 1957

Houses in multiple occupation

40 12.—(1) If it appears to a local authority that a house which, or a part of which, is let in lodgings or which is occupied by members of more than one family is, in consequence of failure to maintain proper standards of management, in such a state

Power to
apply manage-
ment code to
houses in
multiple
occupation.

that, having regard to the number of individuals or households, or both, accommodated for the time being on the premises, it is not reasonably suitable for occupation by those individuals or households, they may by order direct that the regulations made under the following provisions of this Part of this Act 5 shall apply to the house; and so long as the order is in force the regulations shall apply in relation to the house accordingly.

(2) Not less than twenty-one days before making an order under this section, the local authority shall—

- (a) serve on an owner of the house, and on every person 10 who is to their knowledge a lessee of the house, notice of their intention to make the order, and
- (b) post such a notice in some position in the house where it is accessible to those living in the house,

and shall afford to any person on whom a notice is so served 15 an opportunity of making representations regarding their proposal to make the order.

(3) An order under this section shall come into force on the date on which it is made, and the local authority shall within seven days from the making of the order— 20

- (a) serve a copy of the order on an owner of the house and on every person who is to the knowledge of the local authority a lessee of the house, and
- (b) post a copy of the order in some position in the house where it is accessible to those living in the house. 25

(4) A person on whom a copy of the order is served under the last foregoing subsection, and any other person who is a lessee of the house, may within fourteen days from the latest date by which copies of the order are required to be served, appeal to a magistrates' court on the ground that the making of the 30 order was unnecessary.

(5) On an appeal under the last foregoing subsection the court shall take into account the state of the house at the time when the local authority under subsection (2) of this section served notice of their intention to make the order, as well as 35 at the time of the making of the order, and shall disregard any improvement in the state of the house between those times unless the court is satisfied that effective steps have been taken to ensure that the house will in future be kept in a satisfactory state; and if the magistrates' court allows the appeal, the court 40 shall revoke the order, but without prejudice to its operation prior to the revocation, and without prejudice to the making of a further order.

(6) A local authority may at any time on the application of a person having an estate or interest in the house revoke an 45 order under this section, and if a local authority refuse an

application under this subsection, or do not within twenty-eight days from the making of the application, or within such further period as the applicant may in writing allow, notify the applicant of their decision on the application, the applicant may appeal to a magistrates' court and the magistrates' court, if of opinion that there has been a substantial change in the circumstances since the making of the order, and that it is in other respects just to do so, may revoke the order.

(7) As soon as may be after an order under this section has come into force it shall be registered in the register of local land charges by the proper officer of the local authority in such manner as may be prescribed by rules made for the purposes of this section under subsection (6) of section fifteen of the Land Charges Act, 1925.

15 13.—(1) With a view to providing a code for the management of houses which may be applied under the last foregoing section, the Minister may by regulations contained in a statutory instrument make provision for the purpose of ensuring that the person managing a house which, or a part of which, is let in lodgings or
20 which is occupied by members of more than one family observes proper standards of management and, in particular, that he ensures the repair, maintenance, cleansing and good order—

Regulations
prescribing
management
code.

- 25 (a) of all means of water supply and drainage in the house,
(b) of kitchens, bathrooms and water closets in common use,
(c) of sinks and wash-basins in common use,
(d) of common staircases, corridors and passage ways, and
(e) of outbuildings, yards and gardens in common use,

and that he makes satisfactory arrangements for the disposal
30 of refuse and litter from the house.

(2) For the purposes of the foregoing subsection and regulations made under this section, the person managing a house which, or a part of which, is let in lodgings or which is occupied by members of more than one family shall be defined as—

- 35 (a) the person who is an owner or a lessee of the house and who, directly or through an agent or trustee, receives rents or other payments from persons who are tenants of parts of the house, or who are lodgers, and
40 (b) where those rents or other payments are received through another person as his agent or trustee, that other person,

but the foregoing definition may be varied or replaced by regulations under this section.

(3) Regulations under this section—

- 45 (a) may make different provision for different types of houses,

PART II

- (b) may provide for keeping a register of the names and addresses of those who are managers of houses,
- (c) may impose duties on persons who have an estate or interest in, or who live in, a house or any part of a house to which the regulations apply, as well as on the person managing the house, 5
- (d) may authorise the local authority to obtain information as to the number of individuals or households accommodated in the house, and may make it the duty of any person who acquires or ceases to hold an estate or interest in the house to notify the local authority, 10
- (e) may make it the duty of the person managing the house to cause a copy of the order, and of the regulations, to be displayed in a suitable position in the house, and 15
- (f) may contain such other incidental and supplementary provisions as may appear to the Minister to be expedient.

(4) If any person knowingly contravenes or fails to comply with any regulation under this section as applied under this Act in relation to any house he shall be liable on summary conviction— 20

- (a) where he has not previously been convicted of an offence under this section, to a fine not exceeding twenty pounds, and 25
- (b) where he has previously been convicted of an offence under this section, to imprisonment for a term not exceeding three months, or to a fine not exceeding one hundred pounds, or to both.

(5) A statutory instrument containing regulations under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament. 30

Power to
require doing
of work to
make good
neglect of
proper
standards of
management.

14.—(1) If in the opinion of the local authority the condition of a house to which regulations under the last foregoing section for the time being apply is defective in consequence of neglect to comply with the requirements imposed by the regulations, or, in respect of a period falling wholly or partly before the regulations applied to the house, neglect to comply with standards corresponding to the requirements imposed by the regulations, the local authority may serve on the person managing the house (as defined by or under the last foregoing section), a notice specifying the works which in the opinion of the local authority are required to make good the neglect, and requiring the person on whom the notice is served to execute those works. 35 40

(2) If it is not practicable after reasonable inquiry to ascertain the name or address of the person managing the house as so defined the notice under this section may be served by addressing it to him by the description of “ manager of the house ” (naming 45

the house to which it relates) and by delivering it to some person on the premises.

PART II

(3) A notice under this section shall require the execution of the works within such period, being not less than twenty-one days from service of the notice, as may be specified in the notice, but that period may from time to time be extended by written permission of the local authority.

(4) A person on whom a notice is served under this section may, within twenty-one days of service of the notice, or within such longer period as the local authority may in writing allow, appeal to a magistrates' court on any of the following grounds which are appropriate in the circumstances of the particular case:—

- (a) that the condition of the house did not justify the local authority in requiring the execution of the works specified in the notice,
- (b) that there has been some informality, defect or error in, or in connection with, the notice,
- (c) that the local authority have refused unreasonably to approve the execution of alternative works, or that the works required by the notice to be executed are otherwise unreasonable in character or extent, or are unnecessary,
- (d) that the time within which the works are to be executed is not reasonably sufficient for the purpose, and
- (e) that some person other than the appellant is wholly or in part responsible for the state of affairs calling for the execution of the works, or will as the holder of an estate or interest in the premises derive a benefit from the execution of the works, and that that person ought to pay the whole or any part of the expenses of executing the works.

(5) If and so far as an appeal under this section is based on the ground of some informality, defect or error in or in connection with the notice, the court shall dismiss the appeal if it is satisfied that the informality, defect, or error was not a material one.

(6) Where the grounds on which an appeal is brought under this section include the ground specified in paragraph (e) of subsection (4) of this section, the appellant shall serve a copy of his notice of appeal on each other person referred to, and on the hearing of the appeal the court may make such order as it thinks fit with respect to the payment to be made by any such other person to the appellant, or, where the work is executed by the local authority, to the local authority.

PART II
Power to
require
execution of
works of other
descriptions.

15.—(1) If the condition of a house which, or a part of which, is let in lodgings, or which is occupied by members of more than one family, is, in the opinion of the local authority, so far defective with respect to any of the following matters, that is to say—

natural and artificial lighting,

ventilation,

water supply,

personal washing facilities,

drainage and sanitary conveniences, or

facilities for the storage, preparation and cooking of food, and for the disposal of waste water,

having regard to the number of individuals or households, or both, accommodated for the time being on the premises, as not to be reasonably suitable for occupation by those individuals or households. the local authority may serve either—

(a) on the person having control of the house (as defined by subsection (2) of section thirty-nine of the principal Act), or

(b) on any person to whom the house is let at a rackrent, or on any person who, as the agent or trustee of a person to whom the house is let at a rackrent, receives rents or other payments from tenants of parts of the house or lodgers in the house.

a notice specifying the works which in the opinion of the local authority are required for rendering the premises reasonably suitable for such occupation as aforesaid. and requiring the person on whom the notice is served to execute those works.

(2) If the local authority are satisfied that after the service of the notice the number of individuals living on the premises has been reduced to a level which will make the work specified in the notice unnecessary, and that, either in consequence of their exercise of the powers conferred by the following provisions of this Part of this Act to limit the number of persons living on the premises or otherwise, that number will be maintained at or below that level, they may notify in writing the person on whom the notice was served of the withdrawal of the notice, but the withdrawal of the notice shall be without prejudice to the issue of a further notice.

(3) A notice under this section shall require the execution of the works within such period, being not less than twenty-one days from the service of the notice, as may be specified in the notice, but that period may from time to time be extended by written permission of the local authority.

PART II

16.—(1) A person on whom a notice is served under the last foregoing section may, within twenty-one days from the service of the notice, or within such longer period as the local authority may in writing allow, appeal to a county court on any of the following grounds which are appropriate in the circumstances of the particular case:—

Right of
appeal against
notice
requiring
execution of
works.

10 (a) that the condition of the house did not justify the local authority, having regard to the considerations in subsection (1) of the last foregoing section, in requiring the execution of the works specified in the notice,

(b) that there has been some informality, defect or error in, or in connection with, the notice,

15 (c) that the local authority have refused unreasonably to approve the execution of alternative works, or that the works required by the notice to be executed are otherwise unreasonable in character or extent, or are unnecessary,

(d) that the time within which the works are to be executed is not reasonably sufficient for the purpose, and

20 (e) that some person other than the appellant is wholly or in part responsible for the state of affairs calling for the execution of the works, or will as the holder of an estate or interest in the premises derive a benefit from the execution of the works, and that that person ought to pay the whole or any part of the expenses of
25 executing the works.

(2) If and so far as an appeal under this section is based on the ground of some informality, defect or error in or in connection with the notice, the court shall dismiss the appeal if
30 it is satisfied that the informality, defect or error was not a material one.

(3) Where the grounds upon which an appeal under this section is brought include the ground specified in paragraph (e) of subsection (1) of this section, the court, if satisfied that any
35 other person referred to in the notice of appeal has had proper notice of the appeal, may on the hearing of the appeal make such order as it thinks fit with respect to the payment to be made by that other person to the appellant or, where the work is executed by the local authority, to the local authority.

40 (4) If on an appeal under this section the court is satisfied that the number of persons living in the house has been reduced, and that adequate steps (whether by the exercise by the local authority of the powers conferred by the following provisions of this Part of this Act to limit the number of persons living in the house or
45 otherwise) have been taken to prevent that number being again increased, the court may if it thinks fit revoke the notice or vary the list of works specified in the notice.

PART II
Carrying out
of works
by local
authority.

17.—(1) If a notice under section fourteen or section fifteen of this Act is not complied with, then, after the expiration of the time within which the works are required to be executed or, if an appeal has been made against the notice and upon that appeal the notice has been confirmed with or without variation, after the expiration of twenty-one days from the final determination of the appeal, or such longer period as the court in determining the appeal may fix, the local authority may themselves do the work required to be done by the notice (with any variation made by the court).

(2) Any expenses reasonably incurred by the local authority under this section, together with interest from the date when a demand for the expenses is served until payment, may, except so far as they are by any direction of the court on appeal recoverable under an order of the court, be recovered by them by action or summarily as a civil debt, from the person on whom the notice was served or, if he was only properly served with the notice as being an agent or trustee for some other person, then either from him or that other person, or as to part from him and as to the remainder from that other person:

Provided that if the person on whom the notice is served proves that he—

(a) was only properly served with the notice as being an agent or trustee for some other person, and

(b) has not, and since the date of the service on him of the demand has not had, in his hands on behalf of that other person sufficient money to discharge the whole demand of the authority,

his liability shall be limited to the total amount of the money which he has, or has had, in his hands as aforesaid.

(3) Any expenses recoverable by the local authority under the last foregoing subsection, together with interest accrued due thereon, shall, until recovered, be a charge on the estate or interest in the premises of the person on whom the notice was served:

Provided that if that person was only properly served with the notice as being an agent or trustee for some other person, those expenses shall be a charge on the estate or interest in the premises of that other person, and not on that of the first-mentioned person.

(4) The local authority shall for the purpose of enforcing the charge under the last foregoing subsection have the same powers and remedies under the Law of Property Act, 1925, and otherwise as if they were mortgagees by deed having powers of sale and lease, of accepting surrenders of leases and of appointing a receiver.

The power of appointing a receiver under this subsection shall be exercisable at any time after the expiration of one month from the date of the service under subsection (2) of this section of a demand for the expenses charged on the estate or interest in the premises.

(5) If a local authority applies to a county court and satisfies the court—

(a) that any expenses reasonably incurred by them under this section (with the interest accrued due thereon) have not been, and are unlikely to be, recovered, and

(b) that some person is profiting by the execution of the works in respect of which the expenses were incurred to obtain rents or other payments which would not have been obtainable if the number of persons living in the house was limited to that appropriate for the house in its state before the works were executed,

the court, if satisfied that that person has had proper notice of the application, may order him to make such payment or payments to the local authority as may appear to the court to be just.

(6) In all summary proceedings by the local authority for the recovery of expenses under this section, the time within which the proceedings may be taken shall be reckoned from the date of the service of the demand.

(7) Any interest payable under this section shall be at the rate, or the highest rate, for the time being fixed under subsection (6) of section ten of the principal Act.

(8) In proceedings by the local authority for the recovery of any expenses under subsection (2) of this section it shall not be open to the defendant to raise any question which he could have raised on an appeal under the foregoing provisions of this Part of this Act against the notice requiring the execution of the works.

18.—(1) Where, after the number of persons living in a house has been reduced as part of arrangements made with a local authority for the withdrawal of a notice requiring the execution of works, or in any other circumstances, it appears to a local authority to be necessary to prevent the occurrence or worsening of a state of affairs calling for the service of a notice, or a further notice, under section fifteen of this Act, the local authority may give a direction laying down the maximum number of persons who may occupy the house, or any specified part of the house, as living accommodation at any one time, being a number not less than the number who in the opinion of the local authority are ordinarily living in the house, or that part of the house, at the time when the direction is given.

Directions to prevent recurrence or worsening of overcrowding in houses in multiple occupation.

PART II

(2) The powers conferred by the foregoing subsection may, (with a view to preventing the worsening of conditions) be exercised in cases where the number of persons ordinarily living in the house is in the opinion of the local authority already excessive but where, having regard to conditions in the area and other special circumstances, it is in their opinion impracticable for the time being to exercise their powers under section ninety of the principal Act (which relates to overcrowding in houses let in lodgings) to secure a reduction in that number, as well as in other cases; and the exercise of their powers under the foregoing subsection shall be without prejudice to their powers under the said section ninety.

(3) Not less than seven days before giving a direction under this section, the local authority shall—

- (a) serve on an owner of the house, and on every person who is to their knowledge a lessee of the house, notice of their intention to give the direction, and
- (b) post such a notice in some position in the house where it is accessible to those living in the house.

and shall afford to any person on whom a notice is so served an opportunity of making representations regarding their proposal to give the direction.

(4) The local authority shall within seven days from the giving of the direction—

- (a) serve a copy of the direction on an owner of the house and on every person who is to the knowledge of the local authority a lessee of the house, and
- (b) post a copy of the direction in some position in the house where it is accessible to those living in the house.

(5) The power conferred by subsection (1) of this section may be exercised as regards any premises notwithstanding the existence of any previous direction under that subsection laying down a higher maximum.

(6) A local authority may at any time, having regard to any works which have been executed in the house, or any other change of circumstances, and on the application of any person having an estate or interest in the house, revoke any direction given under subsection (1) of this section, or vary it so as to allow more people to be accommodated in the house.

(7) If a local authority refuse an application under the last foregoing subsection, or do not within twenty-eight days from the making of such an application, or within such further period as the applicant may in writing allow, notify the applicant of their decision on the application, the applicant may appeal to a county court, and on the appeal the court shall have power to revoke the direction or vary it in any manner in which it might have been varied by the local authority.

(8) If any person knowingly causes or permits a house, or a part of a house, as respects which a direction is in force under this section to be occupied as living accommodation in contravention of the direction, he shall be guilty of an offence under this section.

(9) A person committing an offence under this section shall be liable on summary conviction—

10 (a) where he has not previously been convicted of an offence under this section or section ninety of the principal Act, to a fine not exceeding twenty pounds, and

(b) where he has previously been convicted of an offence under either of those sections, to imprisonment for a term not exceeding three months, or to a fine not exceeding one hundred pounds, or to both.

15 In this subsection references to a previous offence or conviction under the said section ninety include references to an offence or conviction before the commencement of this Act under that section or an enactment reproduced in that section.

20 19.—(1) A person committing an offence under section ninety of the principal Act shall be liable on summary conviction— Offences under s. 90 of principal Act.

(a) where he has not previously been convicted of an offence under that section, or the last foregoing section of this Act, to a fine not exceeding twenty pounds, and

25 (b) where he has previously been convicted of an offence under either of those sections, to imprisonment for a term not exceeding three months, or to a fine not exceeding one hundred pounds, or to both.

30 (2) This section shall not apply to an offence committed before the commencement of this Act, but references in this section to a previous offence or conviction include references to an offence or conviction before the commencement of this Act under the said section ninety or an enactment reproduced in that section.

(3) Subsection (5) of the said section ninety shall cease to have effect.

35 20.—(1) If on an application made by a person required by a Supplemental notice under the foregoing provisions of this Part of this Act Provisions. to execute any works it appears to a county court that any other person having an estate or interest in the premises has unreasonably refused to give any consent required to enable the works to be executed, the court may dispense with the consent.

PART II

(2) Subsection (1) of section thirty-three of the principal Act (under which any owner of a house may require a local authority to warn him of any proceedings taken by them under certain provisions of that Act) shall apply in relation to proceedings taken under the foregoing provisions of this Part of this Act as it applies in relation to the provisions of the principal Act mentioned in that subsection. 5

(3) Nothing in the foregoing provisions of this Part of this Act shall prejudice or interfere with the rights or remedies of any owner for breach, non-observance or non-performance of any covenant or contract entered into by a tenant or lessee in reference to any house in respect of which a notice requiring the execution of works is served by a local authority under the foregoing provisions of this Part of this Act, or as respects which regulations made under section thirteen of this Act are for the time being in force ; and if any owner is obliged to take possession of a house in order to comply with any such notice, the taking possession shall not affect his right to avail himself of any such breach, non-observance or non-performance which has occurred before he so took possession. 10 15 20

(4) Where an offence punishable under the foregoing provisions of this Part of this Act which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person purporting to act in any such capacity, he as well as the body corporate shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. 25

(5) Where a person is convicted of an offence by virtue of the last foregoing subsection and the body corporate in question is, under the foregoing provisions of this Part of this Act liable, as having been previously convicted of an offence, to a higher penalty than if it had not been previously convicted of any offence, that person shall be liable under the foregoing provisions of this Part of this Act to the same penalties as the body corporate, including the imprisonment to which it would be liable if a natural person : 30 35

Provided that he shall not be so liable if he shows that at the time of the first-mentioned offence he did not know of the body corporate's conviction for the earlier offence and that at the time of the earlier conviction he was not acting or purporting to act as a director, manager, secretary or other similar officer of the body corporate. 40

(6) In the administrative county of London, other than the City of London, both the metropolitan borough and the London County Council shall be local authorities for the purposes of the foregoing provisions of this Part of this Act. 45

(7) Section thirty-six of the principal Act (which is superseded by the foregoing provisions of this Part of this Act) shall cease to have effect except as respects any notice served under that section before the commencement of this Act.

PART II

5 *Reconditioning of condemned houses*

21.—(1) If a local authority are satisfied that any one or more houses comprised in a clearance order which has been confirmed by the Minister have been made fit for human habitation or will, if excluded from the clearance area, be made fit for human habitation, the local authority may make and submit to the Minister for confirmation by him an order excluding the house or houses from the clearance area, and modifying or revoking the clearance order accordingly.

Exclusion of
houses from
clearance
order.

(2) If it appears to the local authority that any house or other building—

(a) which was properly included in the clearance area only on the ground that by reason of its bad arrangement in relation to other buildings, or the narrowness or bad arrangement of the streets, it is dangerous or injurious to the health of the inhabitants of the area, and

(b) which has not been included in a clearance order or compulsory purchase order under Part III of the principal Act,

would not have been included in the clearance area but for the inclusion in the clearance area of the house or houses to be excluded under the foregoing subsection, the order shall provide that that building shall also be excluded from the clearance area.

(3) A local authority shall not make an order under this section (other than one which applies to all the land in the clearance area) unless they are satisfied that they can effectively fulfil their duties under Part III of the principal Act as regards the land remaining in the clearance area after the order comes into force.

(4) An order may be made under this section notwithstanding that the effect of the order in excluding any building from the clearance area is to sever that area into two or more separate and distinct areas, and in any such case the provisions of Part III of the principal Act relating to the effect of a clearance order when confirmed, and to the proceedings to be taken subsequent to the confirmation thereof, shall apply as if those areas formed one clearance area.

(5) A local authority may for the purpose of this section accept undertakings from an owner of the building, or any other person who has or will have an interest in the building, and in particular undertakings—

PART II

- (a) concerning the works to be carried out to make the building fit for human habitation, and the time within which the works are to be carried out, and
- (b) concerning the repayment of any sums paid by the local authority under section sixty or section sixty-one of the principal Act (under which payments may be made for a house in a clearance area which has been well maintained or, in certain circumstances, which is held by an owner-occupier).

(6) Subsection (1) of this section shall apply in relation to a building other than a house, being a building which is included in a clearance order by virtue of the proviso to paragraph 2 of the Fifth Schedule to the principal Act (which authorises the inclusion in a clearance order of a building part of which is a dwelling and is unfit for human habitation) as it applies to a house, but subject to the modification that for the references to making the house fit for human habitation there shall be substituted references to making part of the building fit for human habitation.

(7) The Third Schedule to this Act shall have effect in relation to any order under this section.

(8) In this section and the said Schedule the expression "clearance order" means a clearance order under section forty-four of the principal Act; and this section (together with that Schedule) shall be construed as one with Part III of the principal Act.

Power to permit reconstruction of a house condemned under a demolition order.

22. In subsection (1) of section twenty-four of the principal Act (under which a local authority may revoke a demolition order where an owner of a house submits proposals for its reconstruction, enlargement or improvement)—

- (a) before the words "submits proposals" there shall be inserted the words "or any other person who in the opinion of the local authority is or will be in a position to put his proposals into effect", and
- (b) for the words "the said owner" there shall be substituted the words "the person submitting the proposals".

Miscellaneous

Power to substitute closing order for demolition order to enable a house to be used otherwise than for human habitation.

23.—(1) If an owner of a house in respect of which a demolition order has become operative or any other person who has an interest in the house submits proposals to the local authority for the use of the house for a purpose other than human habitation, the local authority may, if they think fit so to do, determine the demolition order and make a closing order as respects the house.

PART II

(2) Where a local authority determine a demolition order and make a closing order under this section, they shall serve notice that the demolition order has been determined and a copy of the closing order on every person on whom they would be required by subsection (1) of section sixteen of the principal Act to serve a notice issued by them under that subsection.

(3) In subsection (5) of section twenty-seven and in section twenty-eight of the principal Act (which relate respectively to the recovery of possession of premises subject to a closing order made under subsection (1) of section seventeen of that Act and to the substitution of a demolition order for a closing order so made) references to a closing order made under the said subsection (1) shall include references to a closing order made under this section.

(4) This section shall be construed as one with Part II of the principal Act.

24.—(1) Subsection (2) of section thirty-eight of the principal Act (which provides that no appeal shall lie from a decision of the Court of Appeal on an appeal from a county court in proceedings originating in an appeal to the county court under Part II of that Act) shall cease to have effect. Minor amendments of principal Act.

(2) *In section one hundred and twenty-four of the principal Act (which empowers the Minister to make a grant towards the expenses of a central association for promoting the formation and extension of housing associations in any of the five years next following the date on which he recognises that body for the purposes of that section) the words "in any of the five years next following the date on which he recognises the said body" shall cease to have effect.*

(3) Subsection (2) of section one hundred and sixty-nine of the principal Act (which excludes the provisions of that section relating to the service of notices and other documents in the case of certain documents to be served under Part II of that Act) shall cease to have effect.

(4) In paragraph (a) of sub-paragraph (1) of paragraph 3 of the Second Schedule to the principal Act (which relates to payments for well-maintained houses) for the words "owned or occupied" there shall be substituted the words "owned and occupied".

25.—(1) In this Part of this Act "the principal Act" means the Housing Act, 1957. Interpretation and construction of Part II.

(2) This Part of this Act shall be construed as one with the principal Act.

PART III

MISCELLANEOUS AND GENERAL

Private improvements in housing

Permitted
rent increase
for
improvements.

26.—(1) In subsection (1) of section five of the Rent Act, 1957 (under which the rent limit under that Act may be increased for improvements by eight per cent. per annum of the amount spent), for the words “eight per cent.” there shall be substituted the words “twelve and one-half per cent.” 5

(2) Subsection (1) of this section shall only apply to an improvement completed after the commencement of this Act, and shall so apply subject to the following provisions of this section. 10

(3) Subsection (1) of this section shall not apply to an improvement carried out in reliance on a consent granted before the commencement of this Act by a tenant under the controlled tenancy unless the consent was a consent in writing which contained an acknowledgement (however expressed) that the rent could be increased on account of the improvement to a stated amount which is at least the maximum of the rent limit increased under the said section five with the amendment made by subsection (1) of this section. 15 20

(4) The foregoing subsections shall be construed as one with the said section five, but those subsections as applied, as part of the said section five, by section twenty of the same Act (which limits the rent of subsidised private houses by reference to the rent limit), shall apply as follows— 25

- (a) in subsection (3) of this section for the reference to a tenant under the controlled tenancy there shall be substituted a reference to any tenant of the dwelling, and
- (b) notwithstanding subsection (3) of this section, the said section five shall have effect with the amendment made by subsection (1) of this section in relation to the rent under any tenancy created by a lease or agreement coming into operation after the time when the improvement is begun: 30

Provided that for the purposes of paragraph (b) of this subsection where a person to whom a tenancy is granted was immediately before the granting the tenant under another tenancy and the premises comprised in one of the tenancies are the same as, or consist of or include part of, the premises comprised in the other, the two tenancies shall be treated as together constituting one tenancy created by the lease or agreement which created the first of the two tenancies. 35 40

Standard
grant for
provision of
hot water
supply and
water closets.

27.—(1) Subsection (1) of section four of the House Purchase and Housing Act, 1959 (which lists the improvements, including the provision of a bath or shower, a wash-hand basin, hot water supply and a water closet, in respect of which local authorities are to make grants under that section), shall be amended as follows. 45

(2) For paragraph (c) of that subsection (which reads “ a hot water supply ”) there shall be substituted the following paragraph—

5 “ (c) a hot water supply at a fixed bath or shower in a bathroom, and at a wash-hand basin, and at a sink ”.

(3) The water closet mentioned in paragraph (d) of that subsection must, if reasonably practicable, be in, and accessible from within, the dwelling or, if that is not reasonably practicable, in such a position in the curtilage of the dwelling or, where the dwelling is part of a larger building, in that building, as to be readily accessible from the dwelling.

(4) In the said section four, in paragraph (d) of subsection (1), the words “ in or contiguous to the dwelling ”, and subsection (5), shall cease to have effect.

15 28.—(1) Subsection (3) of section thirty-one of the Housing (Financial Provisions) Act, 1958, and subsection (3) of section five of the House Purchase and Housing Act, 1959 (under which an applicant for an improvement grant under Part II of the said Act of 1958 or a standard grant under the said Act of 1959 must own the land to which the application relates or have a certain leasehold interest in it), shall not apply in relation to any application made after the commencement of this Act on behalf of a charity where the land to which the application relates is land which, or an interest in which, is vested in the official custodian for charities or any other custodian trustee in trust for the charity.

(2) In paragraph 3 of the Fourth Schedule to the said Act of 1958 (which requires the dwelling to be let or kept available for letting when it is not occupied by a person of a class defined in sub-paragraphs (a) to (c) of that paragraph) the following sub-paragraph shall be inserted after sub-paragraph (a):—

35 “ (aa) in the case of a dwelling which, or an interest in which, has since before the application for the grant been vested in the personal representatives of a deceased person, or in trustees, by a person who on the death, or under the trust, has become interested in the dwelling or interest or the proceeds of sale thereof, or by a member of the family of such a person, or.”

(3) There shall be substituted for sub-paragraph (2) of paragraph 9 of the Fourth Schedule to the said Act of 1958 (which exempts from paragraph 3 of that Schedule a dwelling used as an almshouse or as a residence of a minister of religion) the following sub-paragraph—

45 “ (2) Paragraph 3 of this Schedule shall not apply to a dwelling held upon trust for any charitable purpose, so long as it is occupied or kept available for occupation for that purpose.”

(4) The proper officer of the local authority shall record in the register of local land charges any change effected by this section in any conditions registered in that register.

Repairing obligations

Repairing obligations in short leases of dwelling-houses.

29.—(1) In any lease of a dwelling-house, being a lease to which this section applies, there shall be implied a covenant by the lessor—

- (a) to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes); and 5
- (b) to keep in repair and proper working order the principal installations in the dwelling-house for the supply of water, gas and electricity, and for sanitation and heating; 10

and any covenant by the lessee for the repair of the premises (including any covenant to put in repair or deliver up in repair, to paint, point or render or to pay money in lieu of repairs by the lessee or on account of repairs by the lessor, but not including any covenant to use the premises in a tenant-like manner or to make good damage done by the lessee) shall be of no effect so far as it relates to the matters mentioned in paragraphs (a) and (b) of this subsection. 15

(2) The covenant implied by this section (hereinafter referred to as the lessor's repairing covenant) shall not be construed as requiring the lessor — 20

- (a) to carry out any works or repairs for which the lessee is liable by virtue of his duty to use the premises in a tenant-like manner, or would be so liable apart from any express covenant on his part; 25
- (b) to rebuild or reinstate the premises in the case of destruction or damage by fire; or
- (c) to keep in repair or maintain anything not included in the demised premises at the commencement of the term; 30

and in determining the standard of repair required by the lessor's repairing covenant, regard shall be had to the age, character and prospective life of the dwelling-house and the locality in which it is situated. 35

(3) In any lease in which the lessor's repairing covenant is implied, there shall also be implied a covenant by the lessee that the lessor, or any person authorised by him in writing, may at reasonable times of the day, on giving twenty-four hours notice in writing to the occupier, enter the premises comprised in the lease for the purpose of viewing their condition and state of repair. 40

(4) The principal installations referred to in paragraph (b) of subsection (1) of this section do not include fixtures, fittings and appliances (other than sanitary fixtures) for making use of the supply of water, gas or electricity.

(5) In this and the next following section the following expressions have the meanings hereby respectively assigned to them, that is to say:—

“lease” includes an underlease, an agreement for a lease or underlease, and any other tenancy, but does not include a mortgage, and “covenant”, “demise” and “term” shall be construed accordingly;

“lease of a dwelling-house” means a lease whereby a building or part of a building is let wholly or mainly as a private dwelling, and “the dwelling-house” means that building or part of a building;

“lessee” and “lessor” mean respectively the person for the time being entitled to the term of a lease and to the reversion expectant thereon.

30.—(1) Section twenty-nine of this Act applies, subject to the provisions of this section, to any lease of a dwelling-house granted after the sixteenth day of February, nineteen hundred and sixty-one, being a lease for a term of less than seven years. Application of s. 29 and restriction on contracting out.

(2) For the purposes of this section a lease shall be treated as a lease for a term of less than seven years if it is determinable at the option of the lessor within seven years from the commencement of the term, and shall not be so treated if it confers on the lessee an option for renewal for a term which, together with the original term, amounts to seven years or more.

(3) The said section twenty-nine does not apply to a new lease of a dwelling-house granted to the lessee under an existing lease of that dwelling-house if—

(a) the existing lease and the new lease are tenancies to which Part II of the Landlord and Tenant Act, 1954, applies; or

(b) the existing lease is not a lease to which the said section twenty-nine applies and, in the case of a lease granted on or before the sixteenth day of February, nineteen hundred and sixty-one, would not have been such a lease if granted after that date,

and does not apply to any lease of a dwelling-house which is comprised in an agricultural holding within the meaning of the Agricultural Holdings Act, 1948.

(4) The county court may, by order made with the consent of the parties concerned, authorise the inclusion in a lease, or in any agreement collateral to a lease, of provisions excluding or modifying in relation to the lease the provisions of the said section twenty-nine with respect to the repairing obligations of the parties if it appears to the court, having regard to the other terms and conditions of the lease and to all the circumstances of the case, that it is reasonable to do so; and any provision so authorised shall have effect accordingly.

PART III

(5) Subject to the last foregoing subsection, any covenant or agreement, whether contained in a lease to which the said section twenty-nine applies or in any agreement collateral to such a lease, shall be void so far as it purports to exclude or limit the obligations of the lessor or the immunities of the lessee under that section, or to authorise any forfeiture or impose on the lessee any penalty, disability or obligation, in the event of his enforcing or relying upon those obligations or immunities. 5

*Town development*Town
development

31.—(1) *If the Minister is satisfied that development which would be town development as defined by section one of the Town Development Act, 1952, if it were carried out in a county district can be with advantage carried out—* 10

(a) *in a county borough, or partly in one county borough and partly in another, or* 15

(b) *partly in a county borough and partly in a county district,*

he may by order designate that development as town development as so defined, and as development to which section two of that Act (under which the Minister may contribute to the expense of certain development) applies; and that Act shall apply accordingly subject to any necessary modifications and, in particular, as if any such county borough or county district were, in relation to the development, a receiving district as defined by subsection (2) of section one of the said Act. 20 25

An order under this subsection shall be made by statutory instrument and may be revoked or varied by a subsequent order so made.

(2) Section four of the Town Development Act, 1952 (which enables the council of a county borough or county district to contribute to the expense of development which relieves congestion in their area), shall apply to the council of a county as it applies to the council of a county borough or county district. 30

(3) The council of a county may make the services of any of their officers or servants available to the council of a receiving district for the purposes of any development in respect of which the council of the county can make a contribution under the said section four as amended by the last foregoing subsection. 35

(4) In this section “the Minister” means the Minister of Housing and Local Government. 40

*General*Financial
provisions.

32.—(1) *There shall be paid out of money provided by Parliament any increase which may, in consequence of the provisions of this Act, become so payable under any other Act.* 4

(2) *There shall be paid into the Exchequer any sums falling to be so paid in consequence of any of the provisions of this Act.*

PART III

33.—(1) This Act may be cited as the Housing Act, 1961.

Short title,
interpretation,
commence-
ment, extent
and repeals.

(2) Save where the context otherwise requires, references in this Act to any enactment shall be construed as references to that enactment as amended by or under any other enactment, including this Act.

(3) This Act shall come into force on the expiration of a period of one month beginning with the day on which it is passed.

(4) This Act shall not extend to Scotland or Northern Ireland.

(5) The Acts mentioned in the Fourth Schedule to this Act shall be repealed to the extent specified in the third column of that Schedule.

Section 4.

SCHEDULES

FIRST SCHEDULE

EXCHEQUER SUBSIDIES FOR LOCAL AUTHORITIES IN SPECIAL CASES

PART I

SUPPLEMENTAL PAYMENTS

5

Qualification for supplemental payment

1.--(1) *An additional sum shall be added under this Schedule if and only if in respect of the financial year preceding that in which the dwelling was completed the total of the amounts in the pound of the rates made in the local authority's area exceeded the weighted average of the rates made in the areas of all local authorities in England and Wales.* 10

(2) *In the application of the foregoing sub-paragraph to a rating area in which different rates were made in different parts of the area, the rates made in the area shall be the weighted average of the rates made in those different parts of the area; and in the application of that sub-paragraph to the London County Council the rates made in the Council's area shall be the weighted average of the rates made in the metropolitan boroughs and the City of London.* 15

(3) *For the purposes of sub-paragraph (1) and sub-paragraph (2) of this paragraph a weighted average in relation to any areas means an average of the total of the amounts in the pound of the rates made in the respective areas weighted by reference to the product of a penny rate in those respective areas for the year in question; and the average shall be taken by applying to the rate in each area the percentage which the penny rate product for that area represents out of the aggregate of the penny rate products for all the areas in question, and summing the products.* 20 25

(4) *In ascertaining under the last foregoing sub-paragraph the weighted average of the rates made in different parts of a rating area the following rules shall have effect to take account of any hereditament (hereafter referred to as a special hereditament) which, although treated for certain purposes as included in the rating area, is taken not to be situated in any part of the rating area in which there are leviable (as an additional item of the general rate) expenses which are not leviable in the area taken as a whole—* 30 35

1. *There shall be included in the products to be summed under the last foregoing sub-paragraph the product resulting from applying to the amounts in the pound of the rates made for the year and area in question, otherwise than as additional items for expenses not leviable in the area taken as a whole, the percentage which the penny rate product of any special hereditaments in the rating area represents out of the penny rate product for the rating area as a whole.* 40 45

2. *The percentage to be applied in ascertaining each other of the products to be summed shall be the percentage which the penny rate product for the part of the area in question (excluding the product from any special hereditament) represents out of the penny rate product for the rating area as a whole.* 50

(5) *In this paragraph "rate" means the general rate except that, in relation to the City of London, it includes the poor rate.*

Dwellings completed before April, 1964

1ST SCH.

2.—(1) This paragraph applies to any dwelling completed before the first day of April, nineteen hundred and sixty-four.

(2) The amount of the local authority's deficit as ascertained under section four of this Act (with any reduction required under the next following sub-paragraph) shall be compared with the product in their area for the financial year preceding that in which the dwelling was completed—

- (a) of a rate of one shilling and threepence in the pound, and
- (b) of a rate of two shillings and sixpence in the pound, and
- (c) of a rate of three shillings and ninepence in the pound.

and if the amount of the deficit (with any reduction so required) exceeds the said product of a rate of one shilling and threepence in the pound, then, subject to paragraph 1 of this Schedule, a sum shall be added under this Schedule to arrive at the annual exchequer subsidy, and its amount shall be that specified in the following Table.

Table

	Where the amount of the deficit (with any reduction so required)—	Sum to be added—
20	exceeds the product of a rate of one shilling and threepence, but not of a rate of two shillings and sixpence.	five pounds
25	exceeds the product of a rate of two shillings and sixpence, but not of a rate of three shillings and ninepence.	ten pounds
	exceeds the product of a rate of three shillings and ninepence.	sixteen pounds

(3) If for the local authority's area for the financial year preceding that in which the dwelling was completed, the product of a penny rate is less than the standard penny rate product as defined in section five of the Local Government Act, 1958 (which authorises the payment of Rate-deficiency Grants), then (to exclude from grant under Part I of this Act what would be met out of Rate-deficiency Grants) the last foregoing sub-paragraph shall apply with the amount of the deficit reduced by—

- (a) dividing by the said standard penny rate product, and
- (b) multiplying by the said product of a penny rate.

For the purposes of this sub-paragraph the said standard penny rate product, as defined in the said section five, and the said product of a penny rate, shall be taken as notified by the Minister to the local authority together with the latest estimate of Rate-deficiency Grant which the Minister, in accordance with regulations made under the Local Government Act, 1948, for the purposes of the said section five, notifies to the local authority before the end of the year preceding that in which the dwelling was completed.

1ST SCH.

Dwellings completed in and after April, 1964

3.—(1) *This paragraph applies to any dwelling completed on or after the first day of April, nineteen hundred and sixty-four.*

(2) *The last foregoing paragraph shall apply to any dwelling to which this paragraph applies but as if for references to the sums of one shilling and threepence, two shillings and sixpence and three shillings and ninepence there were substituted respectively references to those sums adjusted by—*

(a) *dividing by the aggregate product of a penny rate for the areas of all local authorities in England and Wales for the year beginning on the first day of April, nineteen hundred and sixty-three, and*

(b) *multiplying by the said aggregate for the year beginning on the first day of April, nineteen hundred and sixty-two, and rounded off to the nearest penny.*

Definition of Product of a Rate

4.—(1) *This paragraph shall apply where for the purposes of any provision in this Part of this Schedule, other than sub-paragraph (3) of paragraph 2 it is necessary to ascertain the product of a rate of a specified sum in the pound for any area.*

(2) *If for the area and the year in question the product of a penny rate has been estimated under paragraph (d) of subsection (2) of section nine of the Rating and Valuation Act, 1925, that estimate shall be employed for ascertaining the product of any specified sum in the pound.*

(3) *If there is no such estimate, the product shall be that given by such estimate made by the local authority or the Minister as the Minister may direct.*

PART II**ASCERTAINMENT OF RELEVANT YEAR AND GROSS VALUE***The relevant year*

5.—(1) *Subject to this paragraph, the relevant financial year in relation to any dwelling shall be the financial year preceding that in which the dwelling was completed.*

(2) *If, in the opinion of the Minister, adequate information as to the local authority's Housing Revenue Account for that year will not be available within a reasonable time after the completion of the dwelling, the relevant financial year in relation to that dwelling shall be such earlier financial year as the Minister may determine having regard to the availability of information about the local authority's Housing Revenue Account for that earlier year.*

Ascertainment of gross value

6.—(1) *Subject to this paragraph, the gross value of a local authority's houses for the relevant financial year shall be ascertained by adding—*

(a) *the aggregate of the gross value of the houses within the local authority's Housing Revenue Account for the last year preceding the relevant financial year, and*

(b) *the aggregate of the gross value of the houses within their Housing Revenue Account for the relevant financial year, and dividing by two.*

1ST SCH.

(2) Subject to the next following sub-paragraph, the gross value of the houses under paragraphs (a) and (b) of the foregoing sub-paragraph shall be their gross value for rating purposes as shown in the valuation list on the thirty-first day of March in the year preceding the relevant financial year, or, as the case may be, in the relevant financial year and, if any of those houses are comprised in a hereditament which also comprises premises not used for the purposes of a private dwelling, a proportionate part of the gross value of the hereditament as so shown on the said thirty-first day of March.

(3) Where gross value is to be ascertained under the last foregoing sub-paragraph at a time after the first day of April, nineteen hundred and sixty-three, that gross value shall continue to be ascertained by reference to the valuation list in force before that date, and for a hereditament not included in that list when it ceases to be in force the valuation officer shall for the purposes of this paragraph determine its gross value in the manner prescribed by the Valuation for Rating Act, 1953.

(4) In this paragraph "the valuation officer" has the same meaning as in Part III of the Local Government Act, 1948.

SECOND SCHEDULE

Section 11.

AMENDMENTS OF ENACTMENTS RELATING TO FINANCIAL ASSISTANCE FOR HOUSING ACCOMMODATION

PART I

25 APPLICATION OF ENACTMENTS TO EXCHEQUER SUBSIDIES UNDER THIS ACT

The Town Development Act, 1952
(15 & 16 Geo. 6. and 1 Eliz. 2. c. 54.)

1. The expression "house", in a context importing a reference to any annual exchequer subsidy in respect thereof under this Act, shall be construed as having the meaning of "dwelling" as defined for the purposes of Part I of this Act.

2. In paragraph (c) of subsection (2) of section three, in paragraph (f) of subsection (1) of section eight and in subsection (1) of section fourteen of the said Act (which relate respectively to the withholding or postponement of exchequer contributions, the assignment of the right to receive them, and the transfer of dwellings in respect of which they are payable) references to those contributions shall include references to annual exchequer subsidies under Part I of this Act.

The Housing Act, 1957
(5 & 6 Eliz. 2. c. 56.)

3. Subsection (1) of section one hundred and fourteen of the Housing Act, 1957 (which relates to the reservation of houses for the agricultural population), shall apply in relation to annual exchequer subsidies under Part I of this Act increased under subsection (3) of section five of this Act as it applies in relation to the subsidies and contributions there mentioned.

The Housing (Financial Provisions) Act, 1958
(6 & 7 Eliz. 2. c. 42)

4.—(1) Any exchequer subsidy payable under paragraph (a) of subsection (1) of section one of this Act shall be included in the

2ND SCH.

definition of "exchequer payment" in subsection (2) of section fifty-eight of the Housing (Financial Provisions) Act, 1958.

(2) In subsection (2) of section twenty-nine of the said Act (which defines certain payments connected with authorised arrangements)—

(a) in paragraph (a) references to a subsidy payable under section one of that Act shall include references to a subsidy payable under section one of this Act, and

(b) in paragraph (b) references to an annual grant payable under section one of that Act shall include references to an annual grant payable under section one of this Act.

5. In subsection (4) of section nineteen of the said Act (which relates to the discontinuance of subsidy where a dwelling provided by a development corporation is sold or let) the reference to a subsidy payable under section one of that Act shall include a reference to a subsidy payable under section one of this Act.

6.—(1) In section twenty-three and subsection (1) of section twenty-four of the said Act (which relate to county council contributions for houses for the agricultural population) references to exchequer subsidies increased under section five of that Act shall include references to exchequer subsidies increased under subsection (3) of section five of this Act.

(2) For the proviso to the said section twenty-three there shall be substituted the following proviso---

"Provided that the Minister may by order contained in a statutory instrument direct that any contribution under this section shall be reduced to such amount as may be specified in the order.

An order under this proviso shall not be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament, and before laying such a draft the Minister shall consult with such associations of local authorities as appear to him to be concerned and with any local authority with whom consultation appears to him to be desirable."

7. In subsections (1) and (2) of section twenty-five of the said Act (which relates to cases where a county council acts for the council of a county district, either by agreement or in pursuance of an order made under section one hundred and seventy-one or section one hundred and seventy-three of the Housing Act, 1957) references to the sections of that Act there mentioned shall include references to Part I of this Act, but the amount of any subsidy payable under section four of and the First Schedule to this Act shall be calculated as if the dwellings in question had been provided by the council of the county district concerned, and as if any income received and any expenditure incurred by the county council under the agreement or order which, if received or incurred by the said council of a county district, would have been included in that council's Housing Revenue Account, had in fact been so included.

8. In section twenty-eight of the said Act of 1958 (which relates to the time and manner of payment of subsidies) the reference to that Act shall include a reference to this Act.

9. In section thirty-six of the said Act of 1958 (which relates to Exchequer contributions towards improvements grants), in the proviso to subsection (2) for the words "under section two of

this Act" there shall be substituted the words "made by the Minister by statutory instrument", and at the end of that section there shall be added the following subsection—

2ND SCH.

- 5 " (6) An order under the said proviso shall not be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament, and before laying such a draft the Minister shall consult with such associations of local authorities as appear to him to be concerned and with any local authority with whom consultation
10 appears to him to be desirable."

10. Section fifty-seven of the said Act of 1958 (which relates to the Isles of Scilly) shall apply in relation to this Act as it applies in relation to the provisions specified in subsection (3) of that section.

The Town and Country Planning Act, 1959

(7 & 8 Eliz. 2 c. 53)

- 15 11. In the definition of "grant-aided function" in subsection (1) of section fifty-seven of the Town and Country Planning Act, 1959 (which excludes any exchequer subsidy under the Housing (Financial Provisions) Act, 1958), the reference to such a subsidy shall
20 include a reference to a subsidy under Part I of this Act.

PART II

OTHER AMENDMENTS

The Housing, &c. Act, 1923

(13 & 14 Geo. 5. c. 24)

- 25 12. Section two of the Housing, &c. Act, 1923 (under which local authorities may give financial assistance for the provision of housing accommodation), shall cease to have effect except as respects houses built before the commencement of this Act.

The Housing (Financial Provisions) Act, 1958

(6 & 7 Eliz. 2. c. 42)

- 30 13. In paragraph (a) of subsection (1) of section nineteen of the Housing (Financial Provisions) Act, 1958, for the word "corporation" where it first occurs, there shall be substituted the words "local authority".

- 35 14. Any payment which the Minister is authorised to make under paragraph (b) of subsection (3) of section nineteen of the said Act (which deals with the case where a subsidised dwelling provided by a development corporation vests in a local authority) shall be included in the expression "exchequer payment" as defined in
40 subsection (2) of section fifty-eight of that Act.

15. As respects any financial year beginning on or after the first day of April, nineteen hundred and sixty-one, the Fifth Schedule to the said Act (which relates to the Housing Revenue Accounts of local authorities) shall apply with the substitution of the following paragraph for paragraph 5 of that Schedule—

- 45 " 5. Any surplus shown in a Housing Revenue Account at the end of a financial year may be applied by the local authority, in whole or in part, in making good to the general rate fund any contribution credited to the account under sub-paragraphs (5) and (6) of paragraph 1 of this Schedule in any of the nine
50 last preceding financial years, and, so far as not so applied,

2ND SCH.

shall be carried to the credit of the account for the next financial year."

The New Towns Act, 1959
(7 & 8 Eliz. 2. c. 62)

16. It is hereby declared that the reference in sub-paragraph (1) of paragraph 4 of the Second Schedule to the New Towns Act, 1959 (which provides for the continuance of subsidies where functions and property of a development corporation are transferred to the Commission for the New Towns), to any enactment includes a reference to an enactment passed after that Act and, in particular, to the provisions of this Act.

THIRD SCHEDULE

ORDERS EXCLUDING BUILDINGS FROM A CLEARANCE AREA

PART I

PROCEDURE FOR MAKING ORDERS

1. An order under section twenty-one of this Act (hereafter in this Schedule referred to as the principal section) shall be in the prescribed form and shall describe by reference to a map—
 - (a) the clearance area to which it relates,
 - (b) the area affected by the clearance order to which it relates, and
 - (c) the houses and other buildings to be excluded by the order under the principal section from the clearance area.
- 2.—(1) As soon as practicable after making the order, the local authority shall—
 - (a) publish in a newspaper circulating within their district a notice in the prescribed form stating the fact of such an order having been made and describing the houses and other buildings to be excluded by the order from the clearance area and naming a place where a copy of the order and of the map referred to therein may be seen at all reasonable hours, and
 - (b) serve on every owner and occupier of any house or other building to be excluded by the order from the clearance area a notice in the prescribed form.
- (2) A notice under paragraph (b) of the foregoing sub-paragraph shall—
 - (a) set out the effect of the order,
 - (b) state that the order is about to be submitted to the Minister for confirmation, and specify the time within which and the manner in which objections to the order can be made, and
 - (c) draw attention to the provisions of Part II of this Schedule which come into effect on the making of the order.
- (3) After the required notices have been given the local authority shall submit the order to the Minister for confirmation.
- 3.—(1) If no objection is duly made by any of the persons on whom notices are required to be served, or if all objections so made are withdrawn, then, subject to the provisions of this paragraph, the Minister may, if he thinks fit, confirm the order with or without modification.

(2) If any objection duly made by any such person is not withdrawn, the Minister shall, before confirming the order, either cause a public local inquiry to be held or afford to any person by whom an objection has been duly made as aforesaid and not withdrawn an opportunity of appearing before and being heard by a person appointed for the purpose, and, after considering any objection not withdrawn and the report of the person who held the inquiry or of the person appointed as aforesaid, may, subject to the provisions of this paragraph, confirm the order with or without modification.

(3) An order as confirmed under this paragraph shall not exclude from the clearance area any building which would not have been excluded if the order had been confirmed without modification, except that the Minister may under this paragraph modify an order so as to exclude a house or other building—

(a) which was properly included in the clearance area only on the ground that by reason of its bad arrangement in relation to other buildings, or the narrowness or bad arrangement of the streets, it is dangerous or injurious to the health of the inhabitants of the area, and

(b) which has not been included in a clearance order or compulsory purchase order under Part III of the principal Act, if every owner of the building, and the occupier of every part of the building, have given their consent in writing.

(4) The order shall come into force when it is confirmed.

(5) As soon as the order is confirmed the local authority—

(a) shall publish in a newspaper circulating in their district a notice in the prescribed form stating that the order has been confirmed and naming a place where a copy of the order as confirmed and of the map referred to therein may be seen at all reasonable hours, and

(b) shall serve a like notice on every person having an interest in every house or other building comprised in the order, whether as freeholder, lessee, mortgagee or otherwise.

PART II

CONSEQUENCE OF MAKING ORDER

Suspension of duty to vacate and demolish building

4.—(1) On the date on which an order is made under the principal section, subsection (3) of section forty-four of the principal Act (which makes it the duty of the owner of a building comprised in a clearance order to demolish it) shall cease to apply to the houses and other buildings comprised in the order under the principal section.

(2) On the said date—

(a) so much of the clearance order as relates to the vacation of buildings, and

(b) subsections (2), (3) and (4) of section forty-five of the principal Act (which relate to the recovery of possession), and

(c) any notice served under the said section forty-five, shall cease to apply to the houses and other buildings comprised in the order under the principal section.

3RD SCH.

Re-imposition of duties where order is not confirmed

5.—(1) If the Minister notifies the local authority that he declines to confirm the order, or if the order as confirmed does not comprise any houses or other buildings which were comprised in the order as submitted to the Minister, the provisions of this paragraph shall have effect as regards the houses or other buildings in the unconfirmed order or, as the case may be, the houses or other buildings not comprised in the order as confirmed.

(2) The local authority shall fix the date by which the houses or other buildings are to be vacated for the purposes of demolition, and may fix different dates for different buildings; and sections forty-four and forty-five of the principal Act shall apply as if that date had been fixed for those purposes by the clearance order.

(3) The local authority shall not less than twenty-eight days before the date (or the earliest date) fixed under the last foregoing sub-paragraph serve on the owner or owners of the houses or other buildings a notice giving them that date and informing them of their duty under subsection (3) of the said section forty-four as applied by this paragraph to demolish the houses or other buildings.

Payments for well maintained houses and houses held by owner-occupiers

6.—(1) After the making of an order under the principal section the right to any payment under section sixty or section sixty-one of the principal Act (under which payments may be made for houses in clearance areas which have been well maintained or, in certain circumstances, which are held by an owner-occupier) shall be suspended as respects the houses or other buildings comprised in the order, but—

(a) if the Minister notifies the local authority that he declines to confirm the order, that right shall again be enforceable, and

(b) if the order as confirmed does not comprise a house or building which was comprised in the order as submitted to the Minister, that right shall again be enforceable in relation to the house or other building not comprised in the order as confirmed.

(2) Except so far as any undertaking given to a local authority so provides, the coming into operation of an order under the principal section shall not give rise to a duty to repay any payment which has been made under the said section sixty or the said section sixty-one before that time.

Condemned houses let to local authorities

7. Paragraphs 4 and 5 of this Schedule shall not apply to a house comprised in a clearance order which, in pursuance of section forty-six of the principal Act, provides that the demolition of the house in pursuance of the clearance order is to be postponed until the authority determine that the house is no longer required for use for housing purposes.

Condemned houses temporarily occupied under licence

3RD SCH.

8.—(1) Sub-paragraph (2) of paragraph 4 of this Schedule shall not apply to any house as respects which a licence is for the time being in force under section fifty-three of the principal Act (which relates to houses in existing clearance areas temporarily occupied under licence from the local authority), and paragraph 5 of this Schedule shall not apply to a house as respects which such a licence is in force at the time when the Minister notifies the local authority that he declines to confirm the order or, as the case may be, at the time when he confirms the order.

(2) On the confirmation of an order under the principal section any licence in force under the said section fifty-three as respects a house excluded from the clearance area by the order shall cease to have effect.

15 FOURTH SCHEDULE

Section 33.

REPEALS

Session and Chapter	Short Title	Extent of Repeal
20 13 & 14 Geo. 5. c. 24.	The Housing, &c. Act, 1923.	Section two, except as respects houses built before the commencement of this Act.
25 14 & 15 Geo. 5. c. 35.	The Housing (Financial Provisions) Act, 1924.	Section fifteen, except as respects houses built before the commencement of this Act.
30 5 & 6 Eliz. 2. c. 56.	The Housing Act, 1957	In the Second Schedule, the amendment of section two of the Housing, &c. Act, 1923, except as respects houses built before the commencement of this Act.
35		Section thirty-six, except as respects notices given before the commencement of this Act.
40		In section thirty-eight, subsection (2).
45 6 & 7 Eliz. 2. c. 42.	The Housing (Financial Provisions) Act, 1958.	In section ninety, subsection (5). In section one hundred and twenty-four the words "in any of the five years next following the date on which he recognises the said body". In section one hundred and sixty-nine, subsection (2).
50 7 & 8 Eliz. 2. c. 33.	The House Purchase and Housing Act, 1959.	Sections one to six as respects dwellings qualified to be considered for approval by the Minister under subsection (1) of section one of this Act.
		In section four, in paragraph (d) of subsection (1), the words "in or contiguous to the dwelling" and subsection (5).

Housing

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To make further arrangements for the giving of financial assistance for the provision of housing accommodation, to confer further powers on local authorities as regards houses let in lodgings or occupied by more than one family, and houses or other buildings affected by clearance orders and demolition orders, to amend section five of the Rent Act, 1957, by allowing a greater increase in the permitted rent for improvements, to alter the circumstances in which improvement grants and standard grants may be made under Part II of the Housing (Financial Provisions) Act, 1958, and the Housing and House Purchase Act, 1959, to amend the law with respect to repairing obligations in short tenancies of dwelling-houses, and to amend the Town Development Act, 1952, as regards development carried out wholly or partly in a county borough and as regards the assistance which may be given by a county council for town development; and for purposes connected with any of those matters.

*Presented by Mr. Henry Brooke
supported by*

*The Prime Minister, Mr. Secretary Butler,
Mr. Attorney General, Sir Edward Boyle and
Sir Keith Joseph*

*Ordered, by The House of Commons,
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